## Senate Finance Committee Confirmation Hearing Opening Statement Eileen McNulty, Acting Secretary Pennsylvania Department of Revenue June 3, 2015

Thank you, Chairman Eichelberger, Chairman Blake, and distinguished members of the committee. It's an honor and a privilege to be before you today as you consider my nomination as Secretary of the Department of Revenue. I would like to thank you and your Senate colleagues for taking the time to meet with me over the last three months and share your perspectives on issues facing the department.

I'm thankful to Governor Wolf for nominating me as Revenue Secretary and for the opportunity to return to public service and serve our fellow citizens of the Commonwealth in this capacity.

I have served in the Department of Revenue a number of times during my career. My tax policy experience over three decades has given me a solid foundation for this responsibility. Most recently, I served as Executive Deputy Secretary of the Department from 2003 to 2006. I also served as Revenue Secretary under Governor Casey from 1991 through January 1995 and as Deputy Secretary for Tax Policy from 1987 to 1988. My prior Department of Revenue experience has given me a familiarity with Pennsylvania tax laws and regulation and department processes to assess, collect and enforce taxes. I have an understanding and appreciation for the role of technology in tax administration; and great respect for the collaboration required to develop solutions to challenges and build consensus.

I also served in leadership positions in Comptroller Operations, the commonwealth's Stimulus Accountability Office and the Pennsylvania Gaming Control Board. These posts expanded my commonwealth experience and broadened my state government experience.

The mission of the Department of Revenue is to fairly, efficiently and accurately administer the tax laws and other revenue programs of the commonwealth to fund necessary government services. Technology is constantly evolving, which changes the methods we use to administer tax laws and collect the revenues that fund the rest of state government. A major priority for the department is to continue the modernization of our information technology infrastructure and resolution of issues related to transitioning to an integrated tax system. During my earlier years with the Revenue Department, we expanded electronic return filing and payment options, which led to greater efficiency in tax administration and timelier taxpayer service.

The integrated tax system replaces the department's outdated computer systems. When fully functional it will also allow the department to coordinate taxpayer records across tax systems to work more effectively and provide better customer service. This modernization is critical to creating future operational efficiencies that will enable us to improve the way government works.

Because our tax collection system is largely dependent on citizens' voluntary compliance with tax laws, another priority is improved communication with taxpayers and the practitioner community. Most taxpayers willingly and promptly address their tax obligations when they understand what is expected of them. We need to provide clear, consistent and concise communication and direction as we move forward. It is our responsibility to work with taxpayers and preparers to make the process of paying taxes as easy and understandable as possible.

I'm looking forward to the opportunity to help Governor Wolf carry out his plans to create jobs that pay, schools that teach and government that works for Pennsylvanians. I look forward to working with the members of this committee and all members of the General Assembly on issues that come before us.

Thank you, again, for your time and consideration. I'd be happy to respond to your questions.